

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

MICHAEL J. QUILLING, Receiver §  
for Advanced Financial Services, Inc., §  
Plaintiff, §

Civil Action No. 1:03-CV-0236

vs. §

TRADE PARTNERS, INC., MACATAWA §  
BANK CORPORATION, successor by §  
merger to GRAND BANK, THOMAS J. §  
SMITH and CHRISTINE M. ZMUDKA, §  
Defendants. §

**REPORT AND RECOMMENDATION**

On July 12, 2006 the Court conducted a hearing on the Receiver's Motion to Disallow/Adjust Claims of Michaelleen Meyer [Docket No. 1248]. After hearing evidence, the Court adjourned and continued the hearing until August 1, 2006. During the interim, the parties reached a settlement regarding Claim No. A-05064 which they announced to the Court on August 1, 2006. After hearing the terms of the settlement, the Court finds that it is in the best interest of the receivership estate.

Accordingly, the Magistrate Judge recommends that Claim No A-05064 be allowed as a secured "A" Claim in the amount of \$320,000.00 and further recommends that the Receiver be authorized to pay Michaelleen Meyer \$320,000.00 upon final approval by the District Court.

The Magistrate Judge further recommends that the Receiver's Motion, insofar as it relates to Claim No. A-05064 be denied as moot. The remainder of the motion will be set for continued hearing.

Date: August 3, 2006

/s/ Ellen S. Carmody  
ELLEN S. CARMODY  
United States Magistrate Judge

OBJECTIONS to this Report and Recommendation must be filed with the Clerk of Court within ten (10) days of the date of service of this notice. 28 U.S.C. § 636(b)(1)(C). Failure to file objections within the specified time waives the right to appeal the District Court's order. *Thomas v. Arn*, 474 U.S. 140, 155 (1985); *United States v. Walters*, 638 F.2d 947, 949-950 (6<sup>th</sup> Cir. 1981).